addition of a single molecule of APT542 to APT2058. The compound was assayed in the haemolytic assay (at 1:400 dilution of human serum) and an IH_{50} value of 0.03 nM was found.

Page 74, paragraph 2, line 5: Please amend as follows:

Example 36: A method for the synthesis and characterization of APT2184 (conjugate of SEQ ID NO: 46 and the base peptide of SEQ ID NO: 5)

Compound APT2184 was generated by treating the parent compound APT2057 with a three-fold molar excess of 10mM tris-2-carboxyethyl phosphine (TCEP: in 50 mM Hepes, pH 4.5) overnight at room temperature. To this mixture is added a solution containing five molar equivalents of MSWP-1 in 100% DMSO for 2 hours at room temperature.

Page 99, at the end of the specification, please delete the previously submitted Sequence Listing and insert the printed Sequence Listing submitted concurrently herewith.

IN THE CLAIMS

Please cancel claims 1-26, 28-32, 34, 37, 39, 41-45, 47-48 and 50-52 without prejudice or disclaimer. Please add the claims set forth below.

53. (New) A soluble compound that is directed to an outer membrane of a cell, wherein the soluble compound comprises:

(1) a soluble polypeptide that inhibits complement; and

(2) a membrane localization reagent, wherein the membrane localization reagent is soluble and comprises:

(a) at least one lipophilic binding element comprising aliphatic acyl groups;

(b) a hydrophilic peptide binding element comprising at least one basic amino acid, wherein the hydrophilic binding element is bound to the lipophilic element; and

(c) a linker that covalently binds the therapeutic agent to the hydrophilic peptide binding element of the membrane localization reagent to form the soluble compound.

54. (New) The soluble compound of claim 53, wherein the hydrophilic peptide binding element comprises lysine residues.

55. (New) The soluble compound of claim 53, wherein the hydrophilic peptide binding element comprises arginine residues.

56. (New) The soluble compound of claim 53, wherein the soluble peptide that inhibits complement is a soluble CD59 polypeptide or a soluble DAF polypeptide.

57. (New) The soluble compound of claim 53, wherein the lipophilic binding element and the a hydrophilic peptide binding element each have a dissociation constant of 1μM to 1mM.

58. (New) The soluble compound of claim 53, wherein the lipophilic binding element and the a hydrophilic peptide binding element each have a molecular weight of less than 5 kilodaltons.

59. (New) The soluble compound of claim 53, wherein the soluble compounds has a dissociation constant affinity of 0.01 to 10 nM for a membrane.

60. (New) A pharmaceutical composition that is directed to an outer membrane of a cell, comprising

(1) a soluble polypeptide that inhibits complement;

(2) a membrane localization reagent, wherein the membrane localization reagent is soluble and comprises:

(a) at least one lipophilic binding element comprising aliphatic acyl groups;

(b) a hydrophilic peptide binding element comprising at least one basic amino acid, wherein the hydrophilic binding element is bound to the lipophilic element; and

(c) a linker that covalently binds the therapeutic agent to the hydrophilic peptide binding element of the membrane localization reagent to form the soluble compound; and

(3) a pharmaceutically acceptable carrier or excipient.

61. (New) The pharmaceutical composition of claim 60, wherein the hydrophilic peptide binding element comprises lysine residues.

62. (New) The pharmaceutical composition of claim 60, wherein the hydrophilic peptide binding element comprises arginine residues.

63. (New) The pharmaceutical composition of claim 60, wherein the soluble peptide that inhibits complement is a soluble CD59 polypeptide or a soluble DAF polypeptide.

64. (New) The pharmaceutical composition of claim 60, wherein the lipophilic binding element and the a hydrophilic peptide binding element each have a dissociation constant of 1μM to 1mM.

65. (New) The pharmaceutical composition of claim 60, wherein the lipophilic binding element and the a hydrophilic peptide binding element each have a molecular weight of less than 5 kilodaltons.

66. (New) The pharmaceutical composition of claim 60, wherein the soluble compounds has a dissociation constant affinity of 0.01 to 10 nM for a membrane.

Respectfully submitted,

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